

Speech at The 5th World Tourism Conference (WTC) 2019

AT THE 5TH WORLD TOURISM CONFERENCE (WTC) 2019

“BEYOND TOURISM – BEYOND EXPECTATION”

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INTRODUCTION

1. First of all, I would like to thank the organisers, the Ministry of Tourism, Arts and Culture and the United Nations World Tourism Organisation or UNWTO for hosting this 5th World Tourism Conference. Your support for Malaysia since it became a member had been very encouraging.

2. It is indeed a pleasure to be here and to welcome all our delegates to Malaysia – a country where you can experience the beauty of our natural surroundings, the variety of delicacies we offer, and the wealth of diverse culture and heritage all bound and found within this nation. And you will indeed discover that “Malaysia Truly Asia” is not a mere promotional tag but something very real that Malaysians live and breathe in daily.

3. Without doubt too, this conference is important to us as it will allow us to showcase, to all the international delegates representing the tourism industry from various parts of the world, what Malaysia has to offer. Beyond that, it is an opportunity for our industry's stakeholders to explore new strategies and approaches to ensure we remain competitive and relevant on the international stage.

4. Kuala Lumpur and Malaysia has been conferred numerous awards internationally in recent years which we are definitely proud of. Among others:

(i) Kuala Lumpur was named as one of the Top 100 Cities Destinations 2018 (No. 9) by Euromonitor International;

(ii) Malaysia Homestay Experience Program was also recognised as one of the 10 initiatives under Global Best Practices Recognition by The World Travel & Tourism Council (WTTC) during WTTC's 19th Global Summit, April 2019;

(iii) Malaysia was ranked 1st in The Global Muslim Travel Index 2018;

(iv) Malaysia was also voted as World's Top 10 Retirement Havens in 2019 and World's Best Healthcare 2019 by InternationalLiving.com and

(v) Taiping in Perak, one of our Northern state, was declared – Best of Cities in the category of ‘Sustainable Top 100 Destination Awards’ in 2019.

5. It is not our intention to blow our own trumpet but rather to assert that what we offer in terms of tourism is diverse and multi-faceted. We do have a difference to offer despite not having the historical sites like pyramid etc, the differences are due to our multiracial population and their languages, cultures and cuisine. We have some natural site too. But you need time to visit them.

6. We are extremely proud of Kuala Lumpur. This city attracts visitors for its mix of old and new. It is truly a melting pot of cultures, customs and way of life and it will charm you with its well-known landmarks, both historic and modern.

7. While the charm of Kuala Lumpur may be ample to captivate you, do take the opportunity to explore beyond, where you will discover numerous other unique heritages and living culture, beautiful sceneries, beaches, majestic rainforests, and mountains.

TOURISM INDUSTRY – ECONOMIC IMPACT

8. Over the last decade, global tourism has experienced continued intense growth and diversification to become one of the fastest growing economic sectors in the world. It brings hope, prosperity, jobs, and well-being to so many lives all over the world.

9. Earlier this year, the United Nations World Tourism Organisation reported the number of tourist arrivals globally totalled up to a staggering 1.4 billion, achieved two years ahead of its forecast. Trends have also shown that Asia and the Pacific region experienced the highest increase in international arrivals of around 6.5%, compared to other regions.

10. These marked increases are mainly attributed to the increase of middle-income population, ever-expanding premier and low-cost connectivity, as well as advancement in technology. With that, more and more people from around the world are now able to travel to explore new experiences, beyond the borders of their respective countries.

11. The tourism industry has a significant economic impact on nations, through increased foreign exchange earnings. Government coffers are benefited and so are the pockets of workers and investors. The more hospitable the people the higher will be their earnings. Truly tourism enriches.

12. The total tourism receipts reached USD1.4 trillion in 2018, an increase of 7.6% from the previous year. The average spending per tourist has also increased by 1.8% to USD1,032 in 2018. Beyond that, World Travel & Tourism Council (WTTC) reported that the travel and tourism industry support over 319 million jobs worldwide in 2018 with one in every five net jobs created by this industry over the last 5 years.

13. Many countries such as the Maldives, Nepal and even Malaysia have identified tourism as one of the main economic and social development agenda within the national policies. It transfers wealth from the rich to the poor. It accelerates economic growth. It helps reduce income disparities between the rich and the poor countries.

14. According to World Travel & Tourism Council (WTTC), travel and tourism contributed to 10% of total employment or 1 in 10 jobs around the world in 2018. Tourism-related jobs are not only locally focused but spread across continents as the industry transcends boundaries.

15. In other words, it pays for Governments to prioritise the tourism industry as the returns spreads to all levels of the socio-economic well-being of communities and nations.

TAK KENAL, MAKA TAK CINTA

16. The tourism sector has contributed immensely in increasing values and cultural understanding between countries and people. Through travel, people will be able to better understand each other, creating familiarity, enhancing tolerance and bridging the cultural divide of global communities.

17. There is a saying in Malaysia – “Tak Kenal, Maka Tak Cinta”, when translated it simply mean that you will not be able to love someone if you do not know the person. The saying is actually not confined to couples and lovebirds. It is an extension of an invite, a beckoning, that once you know Malaysia, you will love the country.

18. Of course, the saying cut both ways. Malaysians too may fall in love with other nations as they travelled there and discover the colours and gems they have to offer.

19. That is what tourism is all about. An effective catalyst for cultural diplomacy that bridges community, business and political relationships between countries as well as its people.

20. Therefore, tourism has and will continue to be one of the important sectors in achieving the 2030 Agenda for Sustainable Development Goals. It has proven to have a global reach and positive effects on other sectors as well. It enhances economic growth, quality of life, environmental and cultural protection, and even promotes world peace.

FOURTH INDUSTRIAL REVOLUTION

21. Moving forward, recent evolution of the Fourth Industrial Revolution or IR 4.0 impacting on the current trend of digitalisation, automation, and artificial intelligence, tourism too has been affected. According to the World Economic Forum's Digital Transformation Initiatives, digitalisation in tourism is expected to contribute up to US\$305 billion of value through increased profitability by the year 2025. It will also generate benefits valued at US\$700 billion for businesses and wider society.

22. Technological advancement has led consumers to utilise mobile devices and online platforms to access information, arrange, book and plan an entire holiday. Data released by e-Marketer shows that in 2021 travel contract via mobile devices worldwide will amount to US\$108 trillion.

23. Industry stakeholders now are venturing even more actively into sharing the economy, digital platform, social media integration, as well as big data analytics to customise tourism experience offerings to specific demographics across the globe.

24. As tourists' arrivals are forecasted to reach 1.8 billion people in the year 2030, we can foresee a wider base of services being offered beyond the conventional tourism-focused industry. This includes medical, filming, adventure sports, content development, religious-activities, gaming as well as green technology.

25. With this in mind, Malaysia is currently making efforts to embrace the trend towards digital technology in tourism development. We are embarking on a comprehensive digitalisation journey to transform Malaysia's tourism industry towards smart tourism initiatives.

26. We believe by embracing the whole spectrum of digitalisation, we will be able to provide the necessary tools for the tourism industry to be internationally connected, perform rigorous data analytics of tourism futures and shorten the supply chain.

27. For all this to materialise, a new investment climate is pertinent for a conducive environment to enable the technology-centred tourism industry to change forward. Investment in hard and soft infrastructures need to be balanced. National policies need to allow for investment incentives in more intangible products such as data acquisition, content creation and online platform presence.

28. Under the new National Tourism Policy, Malaysia will designate strategic Special Tourism Investment Zones throughout the country. Specific incentives are now being formulated to attract both hard infrastructure investment as well as new technology-based investment in the tourism sector. Malaysia realizes that technology advancement in tourism is about to break boundaries and open up infinite opportunities for growth globally.

ECOTOURISM

29. The advancement of tourism evidently raises a few pertinent questions. Of these, one such question is how we maximise the contribution of tourism to sustainability and inclusivity within the sector.

30. The tourism industry should also be the catalyst to environmental protection, preservation, and conservation of local culture and heritage, as

well as ensuring that the wealth from tourism is spread widely to reach even to the remote communities that offer unique experiences to the tourists. As such, one area where this can be achieved is through sustainable ecotourism development.

31. Ecotourism is a high-value sub-sector that offers genuine experience and adventure that is unique to a particular locality. And nature is a finite resource, but it is becoming scarce over time.

32. Naturally, due to its scarcity, it has the potential to become a premier destination, which brings in high-value tourists. Hence, from the business point of view, there is an interest to protect and promote these nature-based offerings, to ensure long-term sustainable benefits to the environment and sustaining business profitability.

33. Now the underlying question is, how do we gear our efforts towards the protection and preservation of our natural resources, culture, heritage and our local community? Again, the solution may reside in technology applications for ecotourism conservation, or shall I say “TOUR-TECH”.

34. Through this effort we can enrich tourists’ experience and fulfil their sense of responsibility in giving back to nature – which again will attract

high spending visitors, contributing to the increase in revenue. Technology incentives for eco-tour package development, eco-resort building design and innovative business processes can be considered by governments and implemented by destination managers and tour operators.

35. Within the context of Malaysia, we are blessed with our more than 130 million years old pristine rainforests, our beaches, islands, spectacular natural wonders, and national parks; and the diversity of our people.

36. This has positioned Malaysia as preferred ecotourism destinations in the world; and through our National Ecotourism Plan 2016-2025, we are developing cluster-based ecotourism destinations with special concession packages that inculcate the use of technology and smart eco-management of destinations. There will be profit-sharing between the government and private operators.

37. Ultimately, through this plan, we aim for Malaysia to be “The Capital of Smart Ecotourism Destination”. We are committed to exploring new avenues through technology transformation in tourism and smart destination management to educate industry players, tourists and the local community alike; in developing responsible, sustainable and inclusive tourism development.

CONCLUDING REMARKS

38. Before I conclude, I hope that the distinguished speakers and participants of this conference will have productive discussions and benefit from this conference.

39. I wish you a fruitful and meaningful conference. And if I may remind you again – do take some time to experience our beautiful country and tell your friends about it when you return home. And yes, you're always welcome to Malaysia again, and again.

40. On that note, I hereby officiate the 5th World Tourism Conference 2019: “Beyond Tourism – Beyond Expectation.”

Thank you.

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